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U.S.-Republic of Korea Alliance

The alliance between the United States and the Republic of Korea remains a linchpin of security and prosperity in Northeast Asia. It has never been stronger. This alliance has served well to counter the threats from North Korea. Our comprehensive strategic partnership is based on our common values, shared interests, and trust built up over decades of cooperation. Our common values of commitment to freedom, democracy, and the rule of law, along with the close ties between our peoples, are the foundation of the increasingly global partnership between our two great nations.

The bilateral relationship is constantly growing and deepening. In the last three months we have seen three milestones in our relationship: our bilateral free trade agreement (KORUS FTA) took effect, President Obama made his third visit to Korea since taking office, and on March 26-27 the Republic of Korea successfully hosted more than 50 world leaders for the 2012 Nuclear Security Summit, cementing its status as a country with global interests. In addition, Pyongyang's April 13 missile launch and the possibility of another North Korean nuclear test underscored the precarious nature of the security situation on the Korean peninsula and the continuing importance of our alliance to preserving peace and security in Northeast Asia.

The United States and the Republic of Korea already enjoy one of the world's most vibrant economic relationships. The entry into force of the U.S.-Korea Free Trade Agreement will lead to even more trade between our two countries. Vibrant

people-to-people relations, including robust flows of travelers and students, form a strong base for our bilateral ties. Recent polling shows that 72 percent of Koreans hold favorable views of the United States, and an even higher percentage rate the alliance as strong.

The United States/Republic of Korea Security Alliance

The United States and the Republic of Korea (ROK) continue to make important strides toward fulfilling the 2009 Joint Vision for the Alliance statement set forth by Presidents Barack Obama and Lee Myung-bak. In the context of the United States' renewed commitment to Asia, the U.S.-ROK Alliance provides an anchor for peace and security in the region. The Republic of Korea has welcomed the increased U.S. focus on Asia, and the United States has welcomed growing Republic of Korea contributions to regional and global peace and security.

Our long-standing security alliance remains the basis of our truly comprehensive partnership. This alliance has not simply withstood the test of time. It continues to grow and evolve in order to meet all possible threats. We are working to implement key bilateral transformation agreements under the Strategic Alliance 2015 Plan (SA2015). Through SA2015, the ROK Joint Chiefs of Staff will assume wartime operational control of Korean forces in December 2015, and U.S. Forces-Korea will become the United States-Korea Command. The repositioning and consolidation of U.S. Forces-Korea south of Seoul through the Yongsan Relocation Plan and the Land Partnership Plan will reduce the number of U.S. installations and facilities, thereby increasing readiness and efficiency of U.S. troops while reducing their footprint in Korea's capital city.

Global Korea

While in Seoul in March, President Obama acknowledged Korea's remarkable transformation and its expanding regional and international role in a speech to Hankuk University students by applauding Korea's "leaders -- public servants, diplomats, businesspeople -- who've helped propel the modern miracle that is Korea-- transforming it from crushing poverty to one of the world's most dynamic economies; from authoritarianism to a thriving democracy; from a country focused inward to a leader for security and prosperity not only in this region but also around the world -- a truly 'Global Korea.'"

The Republic of Korea is playing an increasingly important regional and global role. It successfully hosted the November 2010 G-20 Summit, the November 2011 Fourth High-Level Forum on Aid Effectiveness, and the March 2012 Nuclear Security Summit. Korea will also host the Winter Olympic Games in 2018.

The Republic of Korea embraces its role as one of the world's wealthiest nations with the capacity and responsibility to contribute to resolving global problems. The United States and the rest of the international community benefit from Korea's growing global leadership and engagement. For example, Korea stations over 1,200 troops overseas. It participates in counter-piracy operations in the Gulf of Aden. The Republic of Korea has deployed a Provincial Reconstruction Team to Afghanistan and is providing significant support to the Afghanistan National Security Forces. The Republic of Korea is a committed member of various international nonproliferation regimes, including the Proliferation Security Initiative (PSI) and the Global Initiative to Combat Nuclear Terrorism (GICNT). The Republic of Korea also is expanding its development assistance and boosting aid coordination with the United States. The Republic of Korea allocated 1.7 trillion won (USD 1.5 billion) for aid in 2011 and is on track to fulfill its 2008 pledge to triple its ODA budget to USD 300 billion by 2015.

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Economic Issues

The long-awaited entry into force of the Korea-United States Free Trade Agreement (KORUS FTA) on March 15 marked a major milestone as one of the most important achievements in the history of our bilateral relationship. KORUS is the most commercially significant free trade agreement the United States has concluded in 17 years. It is a cutting-edge agreement that will further bind our two countries together. The Republic of Korea is the fourth-largest economy in Asia, the thirteenth-largest in the world, and our seventh-largest trading partner. Our two countries already have one of the most vibrant trading relationships in the world, one that topped over \$100 billion in 2011. The FTA is expected to create significant export opportunities for both our countries – increasing goods exports by billions of dollars annually for both sides – and support tens of thousands of new export-related jobs both in Korea and the United States. The agreement immediately eliminated nearly 80 percent of Korean tariffs on U.S. consumer and industrial goods and will phase out most of the remaining tariffs over time. For agricultural products, over two-thirds of U.S. agricultural exports to Korea, by value, became duty-free upon entry-into-force.

However, KORUS is not just about strengthening U.S.-Korea economic linkages. It will deepen our political and strategic partnership with a key Asia-Pacific ally. A trade agreement between our two countries sends a strong signal of our commitment to East Asia. It enhances our credibility as Asian nations continue to pursue regional economic integration.

Both sides have been working closely together to smoothly implement the agreement. Last month, the United States Trade Representative Ron Kirk and Korean Minister for Trade Bark Taeho co-chaired the first meeting of the agreement's Joint Committee. The Joint Committee is the premier committee under the agreement, responsible for supervising its implementation, coordinating the work of its other committees, and resolving issues that may arise.

People to People

Travel

The grassroots relationships between our two peoples have multiplied and prospered over the last decades. Last year more than one million South Korean travelers visited the United States, making Korea our fifth-largest source of overseas visitors. The Republic of Korea sends more students to study in the United States per capita than any other major country, ranking second overall. Last year 70,000 Koreans were studying in the United States, a compliment to the U.S. educational system and a vote of confidence in the future of U.S.-Korea relations. The Korea Work, English Study, Travel (WEST) program is one of our premier U.S.-ROK bilateral educational exchange programs, with more than 1,200 WEST participants since the program began four years ago. The WEST program provides an opportunity for qualifying university students from Korea to study English, participate in internships, and travel independently. We are also working to expand participation by North Korean defectors.

Approximately 120,000 Americans, both military and private citizens, reside in the Republic of Korea.

Accomplishments of Korean Americans

Since the first Korean immigrants to the United States arrived in Honolulu, Hawaii, on January 13, 1903, Koreans have made crucial contributions to America's prosperity, defended America's freedom, added their own unique qualities to America's culture, and distinguished themselves in academia, science,

medicine, business, and athletics. Today, there are more than two million Korean Americans in the United States. In 2005, Congress passed a resolution of support for Korean-American Day, to be held annually on January 13.

Over the past century, the Korean-American Community has grown and prospered and contributed much to the development of the United States. Americans of Korean descent are being elected to public office in increasing numbers, thus contributing to their communities and their country. Korean Americans have worked hard for the sustainable development of U.S.-Korea relations and continue their efforts to increase the strength and vitality of the partnership.

Yeosu Expo

The United States' presence at the Yeosu Korea 2012 Expo (featuring the theme "The Living Ocean and Coast") promotes close U.S.-Korean cooperation on environmental and economic issues of global significance. Because the U.S. Pavilion is funded entirely through private donors, our participation at the Expo will highlight one of the Department of State's successful public-private partnerships and underscore the role of economic statecraft in our foreign policy.

North Korea Policy

Let me turn now to the greatest challenge of our alliance – North Korea. The United States is fully committed to the defense of the Republic of Korea, and we stand shoulder-to-shoulder in the face of DPRK provocations.

North Korea's April 13 missile launch was in clear violation of the commitments it made in the February 29 Leap Day announcements, in which Pyongyang pledged to implement a moratorium on long-range missile launches, nuclear tests, and nuclear activities at Yongbyon, including Uranium enrichment activities. It also agreed to the return of IAEA inspectors to verify and monitor the moratorium of uranium enrichment activities at Yongbyon and confirm the disablement of the 5-Megawatt reactor and associated facilities. The United Nations Security Council issued a Presidential Statement noting the launch violated United Nations Security Council Resolutions 1718 and 1874 and tasked UN Sanctions Committee to designate additional entities and items for targeted sanctions.

We continue to coordinate closely with the ROK, allies and partners on North Korea policy. The United States and the Republic of Korea are committed to the denuclearization of North Korea. The United States is prepared to engage

constructively with North Korea, but its new leadership must understand that there will be no rewards for provocations and that engaging in provocative acts will only increase North Korea's isolation and the hardships endured by its people. The path towards prosperity and security is for Pyongyang to live up to its international obligations and commitments.

North Korean Human Rights

We remain deeply concerned about the dire human rights situation in North Korea. During the first speech in 19 years by a sitting U.S. President to the South Korean public, President Obama on March 16, 2012, directly called on North Korea's leaders to choose the dignity and welfare of the North Korean people over the pursuit of nuclear weapons. Special Envoy for North Korean Human Rights Ambassador Robert King raised human rights issues with North Korean officials during his May 2011 visit to Pyongyang, and we continue to call attention to specific DPRK human rights violations at the UN Human Rights Council and with bilateral and multilateral partners. The State Department provides over \$3 million in grant money to NGOs focused increasing access to information and improving human rights for the people of North Korea.

The Alliance--Prospects for the Future

The United States and the Republic of Korea's strong partnership is rooted in our legacy of sacrifice, our common values, and shared interests. From service members who fought and bled and died together for Korean freedom, to students and workers and entrepreneurs who work together to create economic prosperity, to millions of proud and patriotic Korean immigrants and their descendents who contribute so much to American society, our two nations and our two peoples have stood together for more than 60 years. The alliance between the United States and the Republic of Korea is stronger than ever.

Recent events in the bilateral relationship, from President Lee's state visit last October to the ratification of KORUS in March mark the beginning of a new chapter in our partnership. In the Republic of Korea the United States has a global partner that is embracing the responsibilities of leadership in the 21st century. As we move forward it is important for us to continue investing in this relationship. We must reaffirm the unbreakable alliance between the United States and the Republic of Korea. We will continue to work together so that our citizens – and people around the world – may live in security and prosperity.

Thank you for inviting me to testify on this important topic. Congressional support for the Republic of Korea and for our alliance and partnership has been critical to the success of our relationship.

I am happy to answer any questions you may have.